

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 3038 - SB 3625

February 7, 2012

**SUMMARY OF BILL:** Expands the offense of theft of services to include a person who assists or enables another person to receive benefits of, service from, or access to a service account for profit or financial gain when the person is not authorized by the service provider to receive benefits of, service from, or access to the service account. Removes intentionally obtaining services by forgery or false statement from offenses considered as theft of services.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - Net Impact – Not Significant**

Assumptions:

- The Department of Correction (DOC) assumes one person every three years will be convicted of the Class E felony for theft of services for unauthorized access to a service account.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. No significant incarceration cost increase will occur due to population growth in this period. The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on one offender every three years.
- According to DOC, the average operating cost per offender per day for calendar year is \$61.36. The average post-conviction time served for a Class E felony is 1.28 years (467.52 days) at a cost of \$28,687.03 (\$61.36 x 467.52 days). The annualized cost per conviction is \$9,466.72 (0.33 annual number of convictions x \$28,687.03).
- Removing intentionally obtaining services by forgery or false statement from offenses considered as theft of services will reduce the number of admissions for those Class E offenses. It is assumed that this decrease in admissions will offset the increase in admissions for unauthorized access offenses. There will not be a significant fiscal impact to the Department as a result.
- Due to the small number of offenders and the relatively short time served, no recidivism discount has been applied for these offenses.
- Any impact on the caseloads of state trial courts can be accommodated within existing judicial resources without an increased appropriation or reduced reversion.

*\*Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', written in a cursive style.

Lucian D. Geise, Executive Director

/lsc